

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: 2010 Mid-Year Employer Health and CoBen Contribution Changes	REFERENCE NUMBER: 2010-018
DATE ISSUED: 09/08/10	SUPERSEDES:

This memorandum should be forwarded to:

**Employee Relations Officers
Personnel Officers
Personnel Transaction Supervisors**

FROM: Department of Personnel Administration
Labor Relations Division

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The following employer health benefits contribution rates are effective, September 1, 2010 (August 2010 pay period). The collective bargaining process is fluid and changes may subsequently be agreed to which could alter these amounts. DPA will notify you if there are any changes.

Represented Employees

Unit 12—Health Contribution

Employee	\$393
Employee plus 1 dependent	\$787
Employee plus 2 or more dependents	\$1,024

Unit 12—Health Contribution for Employees Subject to Dependent Health Vesting

Dependent Contribution Level

	<u>50%</u>	<u>75%</u>
Employee	\$393	\$393
Employee plus 1 dependent	\$590	\$689
Employee plus 2 or more dependents	\$708	\$866

Unit 18—CoBen Allowance

Employee	\$441
Employee plus 1 dependent	\$865
Employee plus 2 or more dependents	\$1,134

Unit 18—CoBen Allowance for Employees Subject to Dependent Health Vesting

Dependent Contribution Level

	<u>50%</u>	<u>75%</u>
Employee	\$441	\$441
Employee plus 1 dependent	\$668	\$767
Employee plus 2 or more dependents	\$818	\$976

Dependent Vesting FAQs

What is dependent health vesting?

Dependent health vesting provides new employees a reduced employer health benefits contribution toward dependent coverage during their first 24 months of service.

New employees, not previously eligible for health benefits under State civil service, receive:

- 50 percent of the employer contribution for dependent coverage during the first 12 months of service.
- 75 percent of the employer contribution for dependent coverage during months 13 through 24.
- After completing 24 months of service, new employees receive the full employer contribution for dependent coverage.

Which bargaining units are subject to dependent health vesting?

The following bargaining units contract for dependent vesting: 1, 2, 3, 4, 7, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21.

What prior State service exempts new employees from dependent health vesting?

A new employee must meet all of the following criteria to be exempt from dependent vesting:

- Previous appointment date prior to January 1, 2007;
- Must be a State civil service appointment (UC and CSU appointments are not State civil service); and,
- Employee must have been eligible for State health benefits (it does not matter whether or not the employee actually enrolled in health benefits, as long as they were eligible to enroll).

What counts as a month of "service" for dependent health vesting?

The 24-month vesting period begins with the month the employee is first eligible for State health benefits. The vesting period is a continuous 24 months, unless the employee permanently separates from State service. Upon reappointment, following a permanent separation, the employee must serve out the remainder of their vesting period.

If an employee from a non-vesting bargaining unit transfers to a bargaining unit subject to dependent health vesting during their first 24 months of service, are they subject to dependent vesting?

An employee already receiving the 100 percent employer health contribution remains at the 100 percent contribution level.

If an employee from a bargaining unit subject to dependent health vesting transfers to a bargaining unit not subject to dependent health vesting during their first 24 months of service, must they continue to serve out their vesting period?

The employee begins receiving the 100 percent employer health contribution upon appointment to the non-subject bargaining unit.

Please refer to the appropriate collective bargaining agreement for the specific criteria for determining if an employee is subject to dependent vesting.

If you have any questions, regarding the information provided above please contact Ralph Cobb at (916) 324-3438.

/s/Julie Chapman

Julie Chapman
Chief Deputy Director